GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS – Grant of Mining Lease for Limestone in Nandavaram-Venkatapuram Block over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool Dist in favour of M/s.Sree Jayajothi Cements (P) Ltd., the preferred Bidder who fulfilled the terms & conditions as required under Rule 10 (4) of Mineral (Auction) Rules, 2015, for a period of (50) years under captive purpose in terms of Section 8 A (5) of MM (D&R) Amendment Act, 2015 – Orders – Issued.
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INDUSTRIES & COMMERCE (MINES.III) DEPARTMENT

G.O.MS.No. 102 Dated: 05-09-2018
Read the following:

1.Govt Memo No.4106/M.III(1)/2017, dt.01.06.2017.
2.Minutes of the High Power Committee Meeting held on 12.07.2017.
3.From the Director of Mines and Geology, A.P., Vijayawada Lr.No.8322/P/2017-2, dt.09.10.2017.
4.Memo No.8920/M.III(1)/2017, dt.30.10.2017 & 07.12.2017.
5.From the Director of Mines & Geology, A.P., Vijayawada Single File No.INC04-22021(36)/77/2018-PLANNING SEC-DMG, dt.26.08.2018.

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ORDER:

In the reference 1st read above, permission was accorded to the DM&G for notification of Nandavaram- Venkatapuram Block for Limestone Mineral over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool Dist for conduct of e-Auctions to grant Mining Lease for Limestone under Section 10 & 11 of MM (D&R) Amendment Act, 2015.

2. In the reference 2nd read above, the High Power Committee in its Meeting held on 12.07.2017 consists of (i) Secretary to Government (R&E), Finance Dept, (ii) Secretary to Government (M&G), (iii) Regional Controller of Mines, IBM, Hyderabad, (iv) Director, AP unit-GSI and (v) JDM&G, O/o DM&G, A.P., Vijayawada has agreed to proceed for auction the Limestone Blocks.

3. Based on the recommendations of Director of Mines & Geology, the Letter of Intent (LoI) was issued vide reference 4th read above in favour of M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad the preferred bidder for Nandavaram - Venkatapuram Block for Limestone Mineral over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool District in terms of Rule 10 (2) of Mineral (Auction) Rules, 2015 that they shall be considered to be the "successful bidder" subject to the terms & conditions:

1.Continuing to be in compliance with all the terms & conditions of eligibility.
2.Payment of Rs.4.00 Lakhs towards the second installment of Upfront price as specified in the tender document.
3.Furnishing performance security through Bank guarantee in the format specified in Schedule-III of the Rules.
4.Satisfying the conditions specified in clause (b) of sub- section (2) of section 5 with respect to a mining plan; and
5.Satisfying such other conditions as may be specified by the State Government with the prior approval of the central Government.

4. In the reference 5th read above, the Director of Mines & Geology has submitted proposal for grant of Mining Lease for Limestone in Nandavaram-Venkatapuram Block over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool District in favour of M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad being the successful bidder in the auction conducted by Government. He has informed that the bidder company was declared as preferred bidder which quoted 10.70% highest auction price and also paid upfront payment of Rs.4.00 Lakhs on 03.10.2017 as a 1st installment. He has also informed that the bidder company has paid the 2nd Installment on 05.06.2018 and also submitted Bank guarantee worth of Rs.39.00 Lakhs vide Guarantee No.16340100009122, dt.02.06.2018 issued by Axis Bank Ltd. He has stated that the Bidder Company has submitted the following documents:

(P.T.O.)

(i) Mining Plan & Progressive Mine Closure Plan issued by RCoM, Secunderabad.

(ii) Environment Clearance for the 0.30 MTPA capacity Mining of Limestone activity in 24.739 Hectares over the subject area valid for a period of 5.53 years or the expiry date of Mine lease period issued by the GoAP whichever is earlier issued by SEIAA, MoEF&CC, GoI at A.P., Vijayawada.

(iii) Consent for Establishment issued by Member Secy, APPCB, Vijayawada valid for a period of (7) years from the date of issue.

(iv) Mine development & Production Agreement between the ADM&G, Banaganapalli and M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad.

(v) Upfront payment towards 3rd Installment for Rs.31.00 Lakhs vide Challan No.21021592332018, dt.08.08.2018, CFMS transaction, Bank Ref.No.CH74955452, dt.08.08.2018.

(vi) the Bank Guarantee worth of Rs.39.00 Lakhs.

5. The Director of Mines & Geology while furnishing the checklist information for grant of Mining Lease in favour of the bidder Company and connected ROE, has stated that the present Mining Lease has to be granted for captive purpose and the lease period shall be for (50) years in terms of Section 8 A (5) of MM (D&R) Amendment Act, 2015. Further, as required under Rule 10 (4) of Mineral (Auction) Rules, 2015 the Bidder Company has signed the Mine development & Production Agreement with the ADM&G, Banaganapalli on 08.08.2018 for the said Limestone auction Block and also paid the 3rd Installment being 80% subsequent to execution of MD&P Agreement and upon such payment the State Government shall grant the Mining Lease in favour of the Bidder Company M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad.

6. The Director of Mines & Geology has therefore requested the Government to grant the Mining Lease for Limestone in Nandavaram-Venkatapuram Block over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool Dist in favour of M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad for a period of (50) years under captive purpose since the bidder company has fulfilled the terms and conditions stipulated by Government.

7. Government, after careful examination of the matter, hereby grant Mining Lease for Limestone in Nandavaram-Venkatapuram Block over an extent of 24.739 Hectares in Sy.Nos.507/3, 512, 513, 514/1, 2, 3A, 3B, 4A & 4B, 519 of Nandavaram & Sy.Nos.7/1 & 5/2 of Venkatapuram Villages, Banaganapalli (M), Kurnool Dist in favour of M/s.Sree Jayajothi Cements (P) Ltd., Hyderabad for a period of (50) years under captive purpose in terms of Section 8 A (5) of MM (D&R) Amendment Act, 2015 and under Rule 10 (4) of Mineral (Auction) Rules, 2015.

8. The rates of royalty, dead rent, surface rent and water charges shall be collectable as follows:

I. ROYALTY:

Limestone: (a) L.D Grade
(less than 1.5 percent Silica content): Ninety Rupees per tone.
(b) others : Eighty Rupees per tone.

II. Dead Rent:

(Rates of dead rent in rupees per Hectare per annum or as revised from time to time)

From second year of lease	Third year and fourth year	Fifth year onwards
400	1000	2000

III. Surface Rent, water Charges and Cess: As fixed by the Government from time to time.

9. The grantee should execute the lease deed within the time limit specified under MM (D&R) Amendment Act, 2015.

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10. The grantee should obtain Consent for Operation (CFO) before starting Mining operations.

11. The grantee should pay necessary deposit of amount as prescribed under the existing rules before the lease is actually executed.

12. The terms & conditions referred in this order are subject to such further modifications, additions and alterations as may be ordered before the lease deed is executed.

13. The Director of Mines & Geology, A.P., Vijayawada shall take necessary further action for execution of the lease deed after satisfying himself that the grantee fulfils all the required provisions of the amended Act and Rules. As soon as the deed is executed, the date of such execution should be reported to the Government.

Note: The grant is liable for cancellation, should it be found at a later date that it was grossly inequitable or was made under a mistake of fact or owing to misrepresentation or fraud or in excess of authority.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To
M/s.Sree Jayajothi Cements Private Limited, 9th Floor, Block-3, My Home Hub, Madhapur, Hyderabad – 500 081. (By RPAD).
The Director of Mines & Geology, A.P., Vijayawada (with file).

Copy to:

The Deputy Director of Mines & Geology, Kurnool.
The Assistant Director of Mines & Geology, Banaganapalli, Kurnool District.
The District Collector, Kurnool District.
The Secretary to Govt. of India, Ministry of Mines, Sastry Bhavan, New Delhi-110 001.
The Controller General, Indian Bureau of Mines, Indira Bhavan, Civil Lines, Nagpur – 440 001.
The Director General, Mines Safety, Dhanbad, Jarkhand.
The Regional Controller of Mines, IBM, Kavadiguda, Secunderabad.
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER